

2009 Energy Efficiency Credits

Energy Efficiency Credits – House Bill 2 enacted by the 2008 General Assembly created a new section of KRS Chapter 141 to provide for a nonrefundable credit against the tax imposed under KRS 141.020 or KRS 141.040 and KRS 141.0401. **(for tax years beginning after Dec. 31, 2008)** Individuals may receive a nonrefundable credit of 30 percent of installed costs for upgraded insulation, energy-efficient windows and storm doors, or qualified energy property not to exceed a maximum of \$500 per taxpayer when installed on a dwelling unit located in the Commonwealth that is owned by the taxpayer and used by the taxpayer as the taxpayer's principal place of residence. A \$1,000 maximum credit is allowed a taxpayer when certain energy efficient property is installed on property owned by the taxpayer, located in the Commonwealth, and used by the taxpayer as commercial property. If the credit cannot be taken in full in the year of installation, the tax credit may be carried forward one year.

Energy Star Home or Energy Star Manufactured Home Credit - House Bill 2 enacted by the 2008 General Assembly created a new section of Chapter 141 to provided for a nonrefundable credit against the tax imposed under KRS 141.040 and KRS 141.0401**(for tax years beginning after Dec 31, 2008)**, if a taxpayer builds a new ENERGY STAR home located in the Commonwealth for use as a principal place of residence, or sells a new ENERGY STAR manufactured home to a buyer who uses that home as a principal place of residence in the Commonwealth. The tax credit shall equal: (a) \$800 if the taxpayer builds an ENERGY STAR home; or (b) \$400 if the taxpayer sells an ENERGY STAR manufactured home. The tax credits provided by this new section of KRS Chapter 141 shall apply in the tax year in which the taxpayer completes construction of the ENERGY STAR home or sells an ENERGY STAR manufactured home.